

SECTION 1. *What this supplementary regulation does.* This supplementary regulation modifies Ceiling Price Regulation 55 by allowing processors of canned spinach to establish as their ceiling prices for canned spinach their sales prices in effect immediately prior to the issuance of Amendment 5 to CPR 55 which added canned spinach to the coverage of CPR 55. Processors may continue to sell at or below the ceiling prices established under CPR 55 without reference to this supplementary regulation. All provisions of CPR 55 not inconsistent with this supplementary regulation remain in full force and effect.

SEC. 2. *Optional pricing for canned spinach.* You may establish as your ceiling price for each item of canned spinach your weighted average sales price for each item during the period September 1-30, 1951, inclusive. All sales and confirmed sales contracts at firm prices made during this period in the regular course of business shall be included regardless of the date of delivery. However, the following sales and sales contracts shall be excluded, even though made during such period: Sales at retail (including sales to growers and employees) and at wholesale; sales to government procurement agencies, institutional, commercial and industrial users, state agencies and political subdivisions thereof; and sales of damaged goods, or of goods packed for experimental purposes.

If you made no sales of a particular item of canned spinach during the period September 1-30, inclusive, you shall substitute for that period the first from among the following periods in which you did make sales of such item: August 1-31, 1951, inclusive; July 1-31, 1951, inclusive; June 1-30, 1951, inclusive (in that order).

SEC. 3. *Ceiling prices for processors unable to use section 2 of this supplementary regulation.* If you made no sales of a particular item of canned spinach during June 1-September 30, 1951, inclusive, you may establish a ceiling price for such item in accordance with section 4 of CPR 55, using as your "comparison item" an item priced under this supplementary regulation. If you made no sales of canned spinach during June 1-September 30, 1951, inclusive, and you desire to price all items of canned spinach under this supplementary regulation, you shall establish

ceiling prices for all items of canned spinach by borrowing under the provisions of section 6 of CPR 55 ceiling prices established in accordance with section 2 of this supplementary regulation.

SEC. 4. *Sales under Ceiling Price Regulation 55.* You may continue to sell items of canned spinach at or below your ceiling prices established under CPR 55 without reference to this supplementary regulation. However, if you establish a ceiling price for any item of canned spinach with reference to this supplementary regulation, you shall establish ceiling prices for all items of canned spinach under this supplementary regulation.

CPR 56—Ceiling Prices for Certain Processed Fruits and Berries of the 1951 Pack

Sec.

1. Coverage of this regulation.
2. Ceiling prices f. o. b. factory for sales by processors of items sold during the base period.
3. Ceiling prices for grower-processors, grower-owned cooperatives and other processors who purchase raw materials on an open-end contract.
4. Ceiling prices for processors who did not sell the item during the base period, but who sold other items of the product during that period.
5. Ceiling prices for processor-wholesalers and for processor-retailers.
6. Ceiling prices for processors who are unable to figure their ceiling prices under sections 2, 3 or 4 of this regulation.
7. Individual authorization of ceiling prices.
8. Adjustment of processors' ceiling prices.
9. Uniform f. o. b. factory prices for factories in different pricing areas.
10. Delivered prices.
11. Uniform delivered pricing by zones or areas.
12. Payment of brokers.
13. Special packing expenses that may be reflected in ceiling prices.
14. Units of sale and fractions of a cent.
15. Maintenance of customary discounts, allowances and price differentials.
16. Export sales.
17. Storage.
18. Records which must be kept.
19. Reports which must be filed.
20. Sales slips and receipts.
21. Transfer of factory.
22. Adjustable pricing.
23. Treatment of excise taxes.
24. Compliance with this regulation.
25. Petitions for amendments, protests and interpretations.
26. Definitions.

AUTHORITY: Sections 1 to 26 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SOURCE: Sections 1 to 26 contained in Ceiling Price Regulation 56, Collation 1, 16 F. R. 11223, Nov. 3, 1951.

NOTE: Collation 1 contains CPR 56 and Amendments 1 to 6 thereto, which were published in the *FEDERAL REGISTER* as follows:

CPR 56, 16 F. R. 7546, Aug. 2, 1951; 16 F. R. 7697, Aug. 7, 1951.

Amdt. 1, 16 F. R. 8048, Aug. 15, 1951.

Amdt. 2, 16 F. R. 8452, Aug. 23, 1951.

Amdt. 3, 16 F. R. 8546, Aug. 24, 1951.

Amdt. 4, 16 F. R. 8587, Aug. 25, 1951; 16 F. R. 9086, Sept. 7, 1951.

Amdt. 5, 16 F. R. 9557, Sept. 20, 1951.

Amdt. 6, 16 F. R. 10533, Oct. 16, 1951.

SECTION 1. Coverage of this regulation—(a) *What products and sellers are covered by this regulation.* This regulation establishes methods for calculating ceiling prices for sales by processors of the 1951 and later packs of the following named processed fruits, berries, juices, nectars, purees, mixtures of fruit, and mixtures of juices and nectars processed from these fruits and berries:

Product:

Canned fruit or berry nectars.

Canned apricots.

Canned sweet cherries (all varieties).

Canned R. S. P. cherries.

Canned berries, except cranberries.

Canned plums.

Canned prunes (fresh).

Canned figs.

Canned grapes.

Canned freestone peaches.

Canned pears.

Canned fruit cocktail.

Canned fruits for salad.

Canned clingstone peaches.

Canned apples.

Canned apple sauce.

Other canned fruits and canned and bottled fruit and berry juices, including canned and bottled domestic ripe and green olives, and canned cranberries and canned cranberry sauce (but excluding citrus and pineapple fruits and juices).

Other fruits or berries may be added from time to time. This regulation applies to all sales by a processor, as the term is defined in section 26, of canned fruits and berries, and mixtures thereof, and of purees, juices and nectars, and mixtures thereof, whether packed in tin or glass, processed from the specified fruits or berries. It applies to these sales even though the processor has procured

the item of the product from other sources. This regulation does not apply to any listed fruit or berry which is packed and sold as "baby food", or as "junior food", or which is processed by freezing, drying or dehydration, or to any jams, jellies, preserves or marmalades processed from the specified fruits and berries.

If, however, your gross sales of all items of processed fruits, berries, and vegetables were less than \$40,000.00 during 1950, you may elect not to use this regulation, but if you so elect, sales of all such products remain under the General Ceiling Price Regulation. If you elect not to determine your prices under this regulation, you shall so inform the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., including with such notice a list of your General Ceiling Price Regulation ceiling prices for all items of fruits, berries, and vegetables processed by you.

(b) *Pricing provisions to be used.* The main pricing method for most processors is found in section 2 of this regulation. If, however, you are a grower-processor, a grower-owned cooperative, or if you purchase raw materials on open-end contracts, your ceiling prices are determined by sections 2 and 3 of this regulation. Section 4 of this regulation sets forth the method of computing your ceiling prices for items not sold during the base period. Section 5 provides pricing methods for processor-wholesalers and processor-retailers. Sections 6 and 7 of this regulation establish methods by which processors who cannot compute their ceiling prices under the other provisions of the regulation may obtain ceiling prices. Section 26 defines important words used in this regulation such as "base period", "item", "product".

(c) *Where this regulation applies.* This regulation applies in the 48 states of the United States and the District of Columbia.

(d) *What this regulation supersedes.* For the products and sellers covered, this regulation supersedes the General Ceiling Price Regulation.

SEC. 2. Ceiling prices f. o. b. factory for sales by processors of items sold during the base period. You shall compute for each factory your ceiling prices for each "item" of a product covered by this regulation by first determining your "base price". Next you shall adjust your base price by an adjustment for cost increases

other than sugar and raw materials; then by an adjustment for sugar costs; and finally by an adjustment for "raw material" costs.

(a) *How to determine your base price.* Your base price is your "weighted average sales price" per dozen containers f. o. b. factory for each item sold during the "base period" as defined in this regulation. "Weighted average sales price" is the total gross sales dollars charged f. o. b. factory for the item during the base period divided by the number of dozens of containers of that item sold.

(1) *What sales and sales contracts you include in your weighted average sales price.* All sales and confirmed sales contracts at firm prices of the 1948 pack of the item made in the regular course of business during the base period shall be included, regardless of the date of delivery. If you desire, you may include in your computation of your weighted average sales price sales made during the base period of items from a prior pack. If you made no sales of any item of a product during the base period as defined in section 26, you shall use as a substitute base period the 60 days beginning with and including the first day in 1948 subsequent to the base period as defined in section 26 that you made a sale of any item of such product.

Sales contracts made at times other than during the base period shall not be included, even though delivery was made during the base period. However, the following sales and sales contracts shall be excluded, even though they were made during the base period: Sales at retail (including sales to growers and employees) and at wholesale; sales to government procurement agencies, institutional, commercial and industrial users, state agencies and political subdivisions thereof; and sales of damaged goods, or of goods packed for experimental purposes.

(2) *Separate base prices.* You shall figure a separate base price for each item.

(3) *Base price for each factory group.* You may determine one base price for any group of factories, all of which are located in the same pricing area (i. e., each factory must be located in the same area both for permitted increases other than sugar and raw material, and for the maximum permitted increase in raw material cost). In figuring a single base price for a group of factories, you shall

include all sales made in the base period for each factory in the group to obtain your weighted average sales price. You shall use only one "base period" for each such group of factories. Such "base period" shall begin with the first day of pack of any item of such product being priced at the factory in such group having the earliest pack.

(b) *How to adjust for permitted increases other than sugar and raw material.* After obtaining your base price for the item, you shall multiply it by the appropriate figure set forth in Table I for the area in which your factory is located.

The resulting figure is your "adjusted base price."

(c) *How to figure the adjustment for sugar cost increases.* Next you shall determine your adjustment for sugar cost increases which you have incurred since your 1948 base period determined by the first one of the following methods which is applicable.

(1) *Adjustment for items for which dollars-and-cents increases are provided.* If the item for which you are determining a ceiling price is one that appears in Table II, you shall determine a "multiplier", as follows:

(i) Determine the dollars-and-cents difference per hundred weight between the weighted average cost of sugar used in the product in 1948 and in 1951 up to the time of computation of your ceiling price.

(ii) Then if this difference is an increase of 1951 cost over 1948 cost, determine a "multiplier" by applying the dollars-and-cents increase in cost of sugar per hundredweight to the following range:

Increased cost per hundredweight in dollars and cents		Multiplier
\$0.00-----	\$0.12-----	0
\$0.13-----	\$0.37-----	1
\$0.38-----	\$0.62-----	2
\$0.63-----	\$0.87-----	3
\$0.88-----	\$1.12-----	4
\$1.13-----	\$1.37-----	5
\$1.38-----	\$1.62-----	6
\$1.63-----	\$1.87-----	7

For each additional \$0.25 increase per hundredweight of sugar, increase your multiplier by one, in accordance with the above range.

EXAMPLE: If your increase in cost of sugar is \$0.67 per hundredweight, your multiplier is 3.

TABLE I—PERMITTED INCREASES OTHER THAN SUGAR AND RAW MATERIAL

Product	Area		Adjustment factors
	No.	States included—	
Canned pear nectar.....	I	All States.....	1.075
Canned peach nectar.....	I	do.....	1.09
Canned apricot nectar.....	I	do.....	1.08
Other canned fruit and berry nectars.....	I	do.....	1.07
Canned apricots (No. 10, S. P. Pie).....	I	do.....	1.37
Canned apricots.....	I	California.....	1.09
(All other items).....	II	All other States.....	1.11
Canned sweet cherries.....	I	Oregon and Washington.....	1.04
(All varieties).....	II	All other States.....	1.035
Canned R. S. P. Cherries.....	I	All States.....	1.04
Canned blueberries.....	I	do.....	1.07
Canned strawberries.....	I	do.....	1.04
Other canned berries.....	I	California, Oregon, and Washington.....	1.06
Canned plums.....	II	All other States.....	1.07
Canned prunes (fresh).....	I	California.....	1.065
Canned figs.....	II	All other States.....	1.08
Canned grapes.....	I	All States.....	1.085
Canned Lovell peaches.....	I	do.....	1.08
Canned Elberta peaches.....	I	do.....	1.095
Canned freestone peaches.....	I	California.....	1.09
Canned pears.....	I	do.....	1.07
	II	Oregon and Washington.....	1.065
	II	All States except California, Oregon, and Washington.....	1.09
Canned fruit cocktail.....	I	Oregon and Washington.....	1.05
Canned fruits for salad (including canned fruit mixtures).....	II	All States except California, Oregon, and Washington.....	1.07
Canned clingstone peaches (No. 10 pie).....	III	California.....	1.08
Canned clingstone peaches (all other items).....	I	All States.....	1.07
Canned apples.....	I	do.....	1.06
Canned apple sauce.....	I	do.....	1.40
Other canned fruits and canned and bottled fruit and berry juices, including canned and bottled domestic ripe and green olives, and canned cranberries and canned cranberry sauce (but excluding citrus and pineapple fruits and juices).....	I	do.....	1.085
	I	All States.....	1.07
	II	California, Oregon, and Washington.....	1.10
	I	All other States.....	1.14
	I	All States.....	1.06

(iii) Having determined your multiplier you apply it to the appropriate figure in Table II. The result is your permitted increase in net cost of sugar in dollars-and-cents for the item.

(iv) Then you shall add the result determined in subdivision (iii) of this subparagraph to your adjusted base price.

(2) *Adjustment for items for which no dollars-and-cents increases are provided.* If the item is one for which there is no applicable figure in Table II, you shall determine your increase in sugar cost by the following method:

(i) Determine the dollars-and-cents difference per hundredweight between the weighted average cost of sugar used in the product in 1948 and in 1951 up to the time of computation of your ceiling price.

(ii) Then convert this dollars-and-cents increase per hundredweight to the

increase in sugar cost in cents per pound of sugar.

(iii) Determine the amount of sugar which you actually use in processing the item per dozen.

(iv) Multiply the amount of sugar which you actually use in processing the item by the amount of your sugar cost increase per pound.

(v) Add the result to your adjusted base price.

(3) *Figuring adjustment for mixtures of sucrose, dextrose and other sweeteners and their mixtures.* If you use dextrose, corn syrup, corn syrup solids or liquid sugar in processing an item, you shall first convert all sweetening ingredients, including sucrose, to a solids basis in accordance with Table 23 of the publication, Conversion Factor and Weights and Measures for Agricultural Commodities and Their Products (U. S. Department of Agriculture, Production and

TABLE II—ADJUSTMENT FOR INCREASE IN SUGAR COSTS

[Dollars per dozen containers for sugar cost increases of one-fourth cent]

Fruits	Pack style	Grades	8-ounce cans	No. 300 cans	No. 303 1 and 1 1/2 cans	No. 2 cans	No. 2 1/4 cans	No. 10 cans
Applesauce. Apricots	Halves, unpeeled	All grades	0.0014	0.0026	0.0028	0.0035	0.0051	0.0186
		Extra heavy (fancy) cut-out density of 25°-40° Brix	0.0034	0.0064	0.0070	0.0087	0.0126	0.0458
Cherries, dark and light sweet.	Whole, unpeeled	Heavy (choice) cut-out density of 21°-25° Brix	0.0023	0.0043	0.0048	0.0059	0.0086	0.0311
		Light (standard) cut-out density of 16°-21° Brix	0.0014	0.0025	0.0028	0.0034	0.0050	0.0182
		Slightly sweetened water (substandard) cut-out density of less than 16° Brix	0.0005	0.0010	0.0010	0.0013	0.0019	0.0075
		Extra heavy (fancy) cut-out density of 25°-40° Brix	0.0038	0.0072	0.0080	0.0098	0.0142	0.0478
		Heavy (choice) cut-out density of 21°-25° Brix	0.0026	0.0049	0.0054	0.0066	0.0096	0.0324
		Light (standard) cut-out density of 16°-21° Brix	0.0016	0.0028	0.0032	0.0039	0.0056	0.0190
		Slightly sweetened water (substandard) cut-out density of less than 16° Brix	0.0006	0.0011	0.0012	0.0015	0.0022	0.0088
		Extra heavy (fancy) cut-out density of 25°-40° Brix	0.0034	0.0063	0.0070	0.0086	0.0124	0.0442
		Heavy (choice) cut-out density of 21°-25° Brix	0.0023	0.0043	0.0048	0.0058	0.0084	0.0300
		Light (standard) cut-out density of 16°-21° Brix	0.0014	0.0025	0.0028	0.0034	0.0050	0.0176
Fruit cocktail	All styles	Slightly sweetened water (substandard) cut-out density of less than 16° Brix	0.0005	0.0010	0.0010	0.0013	0.0019	0.0075
		Extra heavy (fancy) cut-out density of 25°-40° Brix	0.0020	0.0038	0.0042	0.0052	0.0075	0.0280
		Heavy (choice) cut-out density of 20°-25° Brix	0.0014	0.0027	0.0030	0.0038	0.0054	0.0201
		Light (standard) cut-out density of 16°-20° Brix	0.0010	0.0018	0.0020	0.0024	0.0034	0.0128
		Slightly sweetened water (substandard) cut-out density of less than 16° Brix	0.0004	0.0008	0.0009	0.0012	0.0016	0.0062
		Extra heavy (fancy) cut-out density of 22°-35° Brix	0.0025	0.0047	0.0052	0.0063	0.0092	0.0296
		Heavy (choice) cut-out density of 18°-22° Brix	0.0018	0.0033	0.0037	0.0046	0.0066	0.0212
		Light (standard) cut-out density of 14°-18° Brix	0.0012	0.0022	0.0024	0.0030	0.0044	0.0136
		Extra heavy (fancy) cut-out density of 24°-35° Brix	0.0030	0.0055	0.0061	0.0075	0.0109	0.0404
		Heavy (choice) cut-out density of 19°-24° Brix	0.0020	0.0037	0.0042	0.0051	0.0074	0.0275
Peaches, clingstone	All styles	Light (standard) cut-out density of 14°-19° Brix	0.0012	0.0022	0.0024	0.0030	0.0044	0.0162
		Slightly sweetened water (substandard) cut-out density of less than 14° Brix	0.0004	0.0008	0.0009	0.0012	0.0016	0.0062
		Extra heavy (fancy) syrup 55 percent sugar when packed	0.0032	0.0060	0.0066	0.0082	0.0118	0.0434
		Heavy (choice) syrup 40 percent sugar when packed	0.0021	0.0045	0.0050	0.0062	0.0089	0.0295
		Light (standard) syrup 25 percent sugar when packed	0.0012	0.0024	0.0026	0.0032	0.0047	0.0173
		Slightly sweetened water (seconds) syrup 10 percent sugar when packed	0.0005	0.0009	0.0010	0.0012	0.0018	0.0066
		Extra heavy (fancy) cut-out density of 22°-35° Brix	0.0026	0.0049	0.0054	0.0068	0.0098	0.0354
		Heavy (choice) cut-out density of 18°-22° Brix	0.0019	0.0035	0.0039	0.0048	0.0070	0.0255
		Light (standard) cut-out density of 14°-18° Brix	0.0012	0.0023	0.0025	0.0030	0.0044	0.0162
		Slightly sweetened water (substandard) cut-out density of less than 14° Brix	0.0006	0.0011	0.0012	0.0015	0.0022	0.0088
Pears, Bartlett	All styles	Extra heavy (fancy) syrup 55 percent sugar when packed	0.0036	0.0068	0.0076	0.0093	0.0134	0.0496
		Heavy (light) syrup 40 percent sugar when packed	0.0024	0.0046	0.0051	0.0063	0.0092	0.0336
		Light (standard) syrup 25 percent sugar when packed	0.0014	0.0027	0.0030	0.0037	0.0054	0.0198
		Slightly sweetened water (seconds) syrup 10 percent sugar when packed	0.0006	0.0010	0.0012	0.0014	0.0020	0.0075
		Extra heavy (fancy) syrup 40 percent sugar when packed	0.0028	0.0052	0.0058	0.0071	0.0103	0.0378
		Heavy (choice) syrup 30 percent sugar when packed	0.0020	0.0038	0.0042	0.0052	0.0074	0.0274
		Light (standard) syrup 20 percent sugar when packed	0.0013	0.0025	0.0028	0.0034	0.0048	0.0178
		Slightly sweetened water (substandard) syrup 10 percent sugar when packed	0.0006	0.0011	0.0012	0.0013	0.0022	0.0075
Plums	All styles	Extra heavy (fancy) syrup 55 percent sugar when packed	0.0036	0.0068	0.0076	0.0093	0.0134	0.0496
		Heavy (light) syrup 40 percent sugar when packed	0.0024	0.0046	0.0051	0.0063	0.0092	0.0336
		Light (standard) syrup 25 percent sugar when packed	0.0014	0.0027	0.0030	0.0037	0.0054	0.0198
		Slightly sweetened water (seconds) syrup 10 percent sugar when packed	0.0006	0.0010	0.0012	0.0014	0.0020	0.0075
		Extra heavy (fancy) syrup 40 percent sugar when packed	0.0028	0.0052	0.0058	0.0071	0.0103	0.0378
		Heavy (choice) syrup 30 percent sugar when packed	0.0020	0.0038	0.0042	0.0052	0.0074	0.0274
		Light (standard) syrup 20 percent sugar when packed	0.0013	0.0025	0.0028	0.0034	0.0048	0.0178
		Slightly sweetened water (substandard) syrup 10 percent sugar when packed	0.0006	0.0011	0.0012	0.0013	0.0022	0.0075
Prunes, fresh	All styles	Extra heavy (fancy) syrup 55 percent sugar when packed	0.0036	0.0068	0.0076	0.0093	0.0134	0.0496
		Heavy (light) syrup 40 percent sugar when packed	0.0024	0.0046	0.0051	0.0063	0.0092	0.0336
		Light (standard) syrup 25 percent sugar when packed	0.0014	0.0027	0.0030	0.0037	0.0054	0.0198
		Slightly sweetened water (seconds) syrup 10 percent sugar when packed	0.0006	0.0010	0.0012	0.0014	0.0020	0.0075
		Extra heavy (fancy) syrup 40 percent sugar when packed	0.0028	0.0052	0.0058	0.0071	0.0103	0.0378
		Heavy (choice) syrup 30 percent sugar when packed	0.0020	0.0038	0.0042	0.0052	0.0074	0.0274
		Light (standard) syrup 20 percent sugar when packed	0.0013	0.0025	0.0028	0.0034	0.0048	0.0178
		Slightly sweetened water (substandard) syrup 10 percent sugar when packed	0.0006	0.0011	0.0012	0.0013	0.0022	0.0075

Marketing Administration, August, 1947) or equivalent tables. Then determine the cost increase or decrease for each sweetening ingredient in accordance with subparagraphs (1) or (2) of this paragraph, and compute the total cost increase of all sweeteners in the item weighted to reflect the proportion of each sweetening ingredient in the item.

You then add the result to your adjusted base price.

(4) The result of the computation in subparagraphs (1), (2) or (3) of this paragraph is your "adjusted base price including adjustment for sugar cost increases".

(d) *How to figure the raw material adjustment.* Next, you shall determine your raw material adjustment in accordance with the procedure of this paragraph. If you have determined a base price for a group of factories under paragraph (a) (3) of this section, in making the raw material adjustments under this paragraph you shall figure your weighted average raw material costs per ton (or other unit of purchase) on the basis of raw material costs for all of the factories included in the group.

If you have customarily maintained a distinction among varieties in your sales of items of a product, you may figure a separate raw material adjustment for each variety.

(1) Determine the difference between your 1948 "weighted average raw material cost" and, up to the time of the computation of your ceiling price for the item, your 1951 "weighted average raw material cost" per ton (or other unit of purchase), delivered or contracted to be delivered, at your factory. If you purchase raw material on a graded raw material basis, you shall compute your increase or decrease by weighting both 1948 and 1951 purchases on the basis of the actual grades purchased in 1948. If your 1951 costs so determined exceed your 1948 costs, and the permitted adjustment in Table III is a plus figure, you shall use either your actual increase, or the increase for the area in which your factory is located, as provided in Table III, whichever is lesser. If your 1951 costs exceed your 1948 costs and the permitted adjustment shown in Table III is a minus quantity, you must use the decrease shown in the table. If your 1948 costs exceed your 1951 costs you shall either use your actual decrease or the decrease for the area in which your

factory is located, as provided in Table III, whichever is greater.

(2) You then divide your average raw material cost adjustment per ton (or other unit of purchase) by the simple average of your yields per ton (or other unit of purchase) of the raw material for the years 1948, 1949 and 1950 (or such of these years during which you processed the product), reduced to dozen containers of the product, and adjusted for grade yield distribution according to your customary practice during such period.

The result of the computation in subparagraph (2) of this paragraph, is your upward or downward adjustment for raw material costs in dozens of containers of the item.

If it has not been your customary practice to distribute raw material costs to the various grades of finished product on a grade differential basis, you may continue to follow your usual practice of distribution or you may redistribute the above figure obtained by "dividing your average raw material cost adjustment per ton (or other unit of purchase) by the simple average of the yields for the years 1948, 1949, and 1950" in accordance with the following procedure. (However, if you elect to redistribute in accordance with the following procedure, for any product, you must redistribute in the same manner for all products covered by this regulation):

(i) Determine the total sales value of the entire 1948 pack of the product at base period prices. For this purpose only, you may use your 1948 opening price for any item for which you cannot determine a base period price.

(ii) Determine the total number of tons (or other unit of purchase) of raw material used in producing the 1948 pack of the product.

(iii) Multiply the average raw material cost adjustment per ton (or other unit of purchase) as determined under section 2 (d) (1) by the total number of tons (or other unit of purchase) used in 1948.

(iv) Calculate the ratio secured by dividing (iii) by (i).

(v) Then multiply each base price by the ratio obtained as a result of the computation under (iv) to obtain the upward or downward adjustment for raw material costs per dozen containers of the item.

TABLE III—RAW MATERIAL COST ADJUSTMENTS

Raw material	Area	Unit	Permitted adjustment in dollars per unit
Apricots.....	California.....	Ton.....	+49.00
	Utah.....	do.....	+78.30
	Washington, Oregon.....	do.....	+64.10
	All other States.....	do.....	+45.40
Cherries, sour.....	Ohio.....	do.....	-1.00
	New York, Pennsylvania, Oregon, and Washington.....	do.....	+25.00
	Michigan, Utah.....	do.....	+55.00
	All other States.....	do.....	+77.00
Cherries, sweet.....	California, for brining.....	do.....	0
	California, for canning.....	do.....	-1.00
	Idaho for brining.....	do.....	+21.00
	Idaho, for canning.....	do.....	+15.00
	New York, Pennsylvania, Ohio for all processing.....	do.....	+64.00
	Oregon, Washington, for brining.....	do.....	+105.00
	Oregon, Washington, for canning.....	do.....	+99.00
	Michigan, for all processing.....	do.....	+41.00
	All other States, for all processing.....	do.....	+20.00
Cranberries.....	All States.....	Barrel.....	+10.50
Figs.....	California.....	Ton.....	+51.00
	Texas.....	do.....	+71.00
Peaches, clingstone.....	All States.....	do.....	+11.10
Peaches, freestone.....	Oregon, Washington.....	do.....	+23.65
	California.....	do.....	+11.90
	South Carolina.....	do.....	-5.30
	Georgia.....	do.....	+11.95
	Michigan.....	do.....	+42.50
	All other States.....	do.....	+46.61
Pears.....	California.....	do.....	-26.50
	Oregon, Washington.....	do.....	+3.90
	All other States.....	do.....	+2.00
Plums.....	California.....	do.....	-6.80
	All other States.....	do.....	+23.20
Prunes (fresh).....	Washington, Oregon.....	do.....	+31.00
	All other States.....	do.....	+24.70
Blackberries.....	All States.....	Pound.....	+ .099
Boysenberries.....	do.....	do.....	+ .025
Gooseberries.....	do.....	do.....	+ .044
Loganberries.....	do.....	do.....	+ .023
Raspberries, Black.....	do.....	do.....	+ .005
Raspberries, Red.....	do.....	do.....	+ .07
Strawberries.....	Louisiana.....	do.....	+ .006
	California.....	do.....	+ .020
	All other States.....	do.....	+ .021
Youngberries.....	All States.....	do.....	+ .021
Blueberries:			
Wild.....	do.....	do.....	+ .051
Cultivated.....	do.....	do.....	+ .005
Currants.....	do.....	do.....	+ .051
Crabapples.....	do.....	do.....	+ .051
Quinces.....	do.....	Ton.....	+27.00
Thompson seedless grapes.....	All States.....	Ton.....	+35.00
All other grapes.....	California.....	do.....	+31.60
	New Mexico, Colorado, Wyoming, Montana, Arizona, Utah, Idaho, Nevada, Washington and Oregon.....	do.....	+38.50
	All other States.....	Ton.....	+46.00
			+33.00

(e) *Your ceiling price.* (i) If the final result of the calculations for raw material cost adjustments provided in paragraph (d) is an increase, you shall add the increase to your "adjusted base price including adjustment for sugar cost increases" as determined in accordance with paragraph (c).

(ii) If the final result of the calculations for raw material cost adjustments provided in paragraph (d) is a decrease, you shall subtract the decrease from your "adjusted base price including adjustment for sugar cost increases" as

determined in accordance with paragraph (c).

The result is your ceiling price f. o. b. factory per dozens of containers for the item.

(f) *Recalculation.* If, during the pack, your purchase price for the same grade or grades of the raw material changes from that which you were paying when you computed your prevailing ceiling price for the item, you shall recalculate your ceiling price for the item when your pack has reached an amount equal to 20 percent of your 1950 pack of

the same item (or if you did not pack the item in 1950, then equal to 20 percent of your estimated 1951 pack), and immediately after you have completed the pack. You need not recalculate if the change in raw material cost is an increase. In any case of recalculation of ceiling price no goods shall be delivered after the recalculation at a price higher than the recomputed ceiling price.

In recomputing a ceiling price on an item under this paragraph you shall base your calculation on the weighted average cost of all of the raw material used in packing the item up to the time when you are making the recomputation.

(g) *Sales f. o. b. shipping points other than factory.* If, during the base period, you sold all or portions of an item at a shipping point other than the factory where the item was canned, and if you did not absorb the transportation costs from your factory to this shipping point, you must, in computing your ceiling price f. o. b. factory, subtract from your base period sales price the transportation costs for the item from its factory of origin to such location. Then add to your f. o. b. factory ceiling price, for all or any portion of the item sold f. o. b. such location, the current transportation costs per sales unit from factory to such location.

(h) *Special pricing provisions for mixed fruits, fruit cocktail, fruits for salad, mixed fruit or berry juices and mixed fruit or berry nectars.* If you process an item of mixed fruits, fruit cocktail, fruits for salad, mixed fruit or berry juices or mixed fruit or berry nectars, you shall figure your ceiling price as follows:

(1) Multiply your "base price" as determined under paragraph (a) of this section, by the appropriate figure named in Table I in paragraph (b) of this section, for the item you are pricing. The resulting figure is your "adjusted base price."

(2) Determine your adjustment for sugar cost increases under paragraph (c) of this section and add the result to your adjusted base price. The resulting figure is your "adjusted base price including adjustment for sugar cost increases."

(3) Determine the raw material adjustment by the following procedure:

(i) For each fresh fruit ingredient, such as peaches, pears and grapes, de-

termine the difference between your 1948 "weighted average raw material cost" and, up to the time of the computation of your ceiling price for the item, your 1951 "weighted average raw material cost" per ton (or other unit of purchase), delivered or contracted to be delivered, at your factory in accordance with the provisions of paragraph (d) (1) of this section, and subject to the limitations of Table III. You then divide your average raw material cost adjustment per ton (or other unit of purchase), by your case yield per ton (or other unit of purchase) of raw material for the year 1948 for each separate ingredient of fresh fruit. The result is your raw material adjustment per case of finished product for each separate fresh fruit ingredient.

EXAMPLE: (24/2½ FRUIT COCKTAIL)

	Peaches	Pears	Grapes
Weighted average raw material cost:			
1951.....	\$74.20	\$91.50	\$80.00
1948.....	63.10	118.00	60.00
Difference—Increase (decrease).....	11.10	(26.50)	20.00
1948 case yield per ton (24/2½ fruit cocktail).....	82.0	78.0	450.0
Raw material adjustment per case of finished product (24/2½ fruit cocktail).....	\$0.135	(\$0.340)	\$0.044

(ii) For each ingredient of processed fruit, such as canned apricots, cherries and pineapple, whether processed by you or purchased from other suppliers, determine the difference between your 1948 weighted average cost and your 1951 weighted average cost per case, per pound or other unit of production or acquisition for each such ingredient used. Your 1948 cost shall be the actual cost of production or purchase delivered at your plant and your 1951 cost shall be the cost (up to the time of the computation of your ceiling price for the item) produced, delivered, or contracted to be delivered, at your plant. In no event shall the 1951 cost of ingredients purchased exceed your supplier's ceiling price, delivered at your plant, at the time of computation of your material cost increase. If you yourself processed these ingredients and they are covered by this regulation, in computing your 1951 costs you shall be limited to the permitted adjustments of Table III in determining

your cost of the processed ingredients and to the permitted increases of Table I applied to your 1948 costs in determining your costs other than sugar and raw material.

Divide the difference in cost of each ingredient obtained by the calculation in the preceding paragraph by the 1948 yield in cases of finished product (such as fruit cocktail), per case, pound, or other unit of production or acquisition. The result is the increase (or decrease) per case of finished product for each ingredient of processed fruit.

EXAMPLE: 24/2½ FRUIT COCKTAIL

	Canned cherries	Canned pineapple
Unit of purchase (case).....	6/10	6/10
Weighted average cost:		
1951.....	\$13.40	\$5.75
1948.....	\$12.50	\$5.10
Difference—increase.....	\$0.90	\$0.65
1948 yield of 24/2½ fruit cocktail per case of cherries or pineapple (cases).....	30	12
Permitted increase per case of 24/2½ fruit cocktail for ingredients of processed fruits, canned cherries and canned pineapple..	\$0.03	\$0.05

(iii) You then obtain the sum of all the raw material adjustments per case of finished product under subdivision (i) of this subparagraph and the adjustment for ingredients of processed fruits, canned cherries and canned pineapple in subdivision (ii) of this subparagraph, reduce to dozens of containers of finished product and adjust for grade yield distribution according to your customary practice. The result of the computation in this subdivision is your upward or downward adjustment for raw material costs in dozens of containers of the item of mixed fruits, fruit cocktail, fruits for salad or mixed fruit juice or nectar.

(iv) *Your ceiling price.* If the final result of the calculations in subdivision (iii) of this subparagraph is an increase, you shall add the increase to your "adjusted base price including adjustment for sugar cost increases" as determined in accordance with subparagraphs (1) and (2) of this paragraph. If the final result of the calculations in subdivision (iii) of this subparagraph is a decrease, you shall subtract the decrease from your "adjusted base price including adjustment for sugar cost increases" as

determined in accordance with subparagraphs (1) and (2) of this paragraph.

The result is your ceiling price f. o. b. factory per dozens of containers for the item of mixed fruits, fruit cocktail and fruits for salad, or mixed fruit juices or nectars.

(i) *Different classes of sales.* If you sold during the base period the same item, as defined in section 26 of this regulation, in not more than two classes of sales so that the price of the lower class of sales differed from the higher priced class by a specific and definite dollar-and-cents differential, you may compute your ceiling price under this section for the item by using only the weighted average sales during the base period of the lower class. In all sales of the higher priced class, to buyers other than governmental agencies, institutional, or industrial users, you may add to the ceiling price for the item the same dollars-and-cents differential which existed during the base period between the lower and higher classes, provided your sales of the higher priced class from your 1951 pack shall not exceed 100% of the higher of either (1) the number of dozen of the higher priced class sold in 1950, or (2) your 1950 proportion of the dozens sold of the higher priced class to your 1950 total sales in dozens of the item.

Sec. 3. *Ceiling prices for grower-processors, grower-owned cooperatives and other processors who purchase raw materials on an open-end contract—(a). Computation of ceiling prices.* (1) If you are a grower-processor, a grower-owned cooperative or a processor who purchases on open-end contracts and, if in 1948 and 1951 you purchased at least 10 percent of your total use of raw material at prices definitely ascertainable at time of making this computation, you shall use the weighted average of these outside purchases as your raw material cost and calculate under section 2. If in 1948 and 1951 you did not have any such outside purchases you shall first determine your "base price", "adjusted base price", and adjustment for sugar cost increase per dozen containers as provided in section 2 of this regulation. Then, if in both 1948 and 1951 you sold to other processors the same kind of raw material which you are processing in 1951 in a total amount equal to or exceeding 10 percent of the amount processed by you in each such year, you

shall use the weighted average of such sales in each of the years 1948 and 1951 as the equivalent of the weighted average cost of raw material for each such year in making the determinations for raw material cost adjustments required under section 2 (d) of this regulation.

(2) If you are a grower-processor, a grower-owned cooperative, or a processor who purchases raw materials on an open-end contract and if you are unable to determine your 1948 and 1951 weighted average cost equivalent under subparagraph (1) of this paragraph, because you have not completed your 1951 pack of the product or for other reasons, you shall borrow the 1948 and 1951 weighted average raw material cost per ton (or other unit of purchase) of the processor of the same kind of raw material who is located nearest your factory and who has determined his weighted average raw material costs for those years in conformity with section 2 of this regulation. You shall then use these borrowed average raw material costs in making the determinations for raw material cost adjustments required under section 2 (d) of this regulation.

(3) If you are a grower-owned cooperative and if you are unable to compute the difference between your 1948 and 1951 costs subparagraphs (1) or (2) of this paragraph, in computing your raw material cost adjustment under section 2 (d),

(i) You may use an amount up to but not in excess of the amount of the increase provided in Table III, if that table shows an increase, for raw material for the area in which your plant is located;

(ii) You shall use the amount shown in Table III if that table shows a decrease for raw material for the area in which your plant is located.

(4) You shall then determine your ceiling price in accordance with section 2 (e), (f), (g), (h) and (i) of this regulation.

(b) *Required pass-back to growers.* If you are a grower-owned cooperative, this permitted increase for raw material cost may be taken only if you pass back the entire increase to growers. The amount you must pass back to growers shall be computed as follows:

(1) Compute the full amount per ton paid to the grower in 1948 for the same raw material.

(2) Add to this amount the per ton increase computed in accordance with paragraph (a) of this section and included in your sales prices.

(3) Divide this total by the number of dozen containers produced per ton of raw material. This is your raw material cost per dozen containers.

(4) Multiply the raw material cost per dozen containers by the number of dozen containers sold during the accounting period. The result is the total amount which must be paid to the grower including the amount to be passed back. The amount passed back must be paid within 30 days after the end of your normal accounting period.

(c) *Reports required under this section.* If you are a grower-owned cooperative and if you determine your raw material permitted cost increases under paragraph (a) of this section, you shall mail to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., not less than 30 nor more than 60 days after the end of each normal accounting period, a report by registered mail giving all of the computations required by paragraph (b) of this section. This report may be on a form available at Office of Price Stabilization offices.

(d) Ceiling prices established under this section are subject to revision by the Director of Price Stabilization in accordance with section 7 (f) of this regulation.

SEC. 4. Ceiling prices for processors who did not sell the item during the base period but who sold other items of the product during that period. This section covers the pricing of items which cannot be priced under sections 2 or 3.

(a) *Pricing an item by comparison with other items appearing on your price list.* This paragraph provides a method for pricing an item you did not sell during the base period by making a comparison between the opening price for that item and for a "comparison item" as quoted in your price list. The "comparison item" is limited to an item of the product for which you determine a ceiling price under sections 2 or 3. Your "price list" means the first written opening price list from among your lists for 1950, 1949 or 1948 (in that order) on which the comparison item and the item being priced both appear.

(1) *Items which differ only in container size or type.* You shall select as a "comparison item" from your price list

that item differing only in container size or type which is nearest in container size to the item being priced. No. 10 and No. 3 cylinder sizes shall neither be priced nor used as comparison items under this subparagraph. To obtain your ceiling price, you shall

(i) Divide the price on your price list for the item being priced by the price on your price list for the comparison item.

(ii) Multiply the ceiling price as determined under sections 2 or 3 for the comparison item by the quotient obtained in subdivision (i) of this subparagraph. The result is your ceiling price for the item being priced.

(2) *Items which differ only in grade.* You shall select as a "comparison item" from your price list that item differing only in grade which is nearest in price to the item being priced. Substandard grades shall neither be priced nor used as comparison items under this subparagraph. To obtain your ceiling price, you shall

(i) Divide the price on your price list for the item being priced by the price on your price list for the comparison item.

(ii) Multiply the ceiling price as determined under sections 2 or 3 for the comparison item by the quotient obtained in subdivision (i) of this subparagraph. The result is your ceiling price for the item being priced.

(3) *Items which differ in variety, style of pack, size, count, or packing medium (syrup, juice or water).* You shall select as a "comparison item" from your price list that item differing in variety, style of pack, size, count, or packing medium (syrup, juice or water), which may or may not also differ in grade or container size, which is nearest in price to the item being priced. Substandard grades shall neither be priced nor used as comparison items under this subparagraph. To obtain your ceiling price, you shall

(i) Divide the price on your price list for the item being priced by the price on your price list for the comparison item.

(ii) Multiply the ceiling price as determined under sections 2 or 3 for the comparison item by the quotient obtained in subdivision (i) of this subparagraph. The result is your ceiling price for the item being priced.

(b) *Ceiling prices for items of a product in new container sizes.* If you are unable to calculate your ceiling price for

an item under paragraph (a) of this section and if you can obtain a "comparison item", you shall calculate your ceiling price under this paragraph. Your "comparison item" is the item of the same product (i) for which you are able to figure a ceiling price under sections 2, 3, or 4 (a) even though you no longer sell the product in that container size, (ii) which differs from the item being priced only in container size, and (iii) which is nearest in container size to the item being priced but is not more than 75 percent larger or smaller in size. Then to obtain your ceiling price, you shall

(1) Obtain the f.o.b. factory ceiling price per dozen containers for the comparison item.

(2) Subtract from subparagraph (1) of this paragraph the "container cost" per dozen containers of the comparison item. "Container cost" means the current net cost to the processor, delivered at his factory, of containers, caps, labels and proportionate shipping cartons.

(3) Divide the label weight of the item being priced by the label weight of the comparison item.

(4) Multiply the figure determined under subparagraph (2) by the quotient obtained in subparagraph (3) of this paragraph.

(5) Add to the result of subparagraph (4) of this paragraph the current "container cost" per dozen containers of the item being priced. The result is your ceiling price f.o.b. factory, per dozen containers of the item being priced.

(c) *Pricing items for which ceiling prices cannot be calculated under paragraphs (a) and (b).* If you are unable to calculate your ceiling price for an item under paragraph (a) or (b) of this section but are able to calculate ceiling prices for other items of the same product under sections 2, 3, or paragraph (a) or (b) of this section, you shall calculate your ceiling price for the item being priced in the following manner:

(1) Select as a "comparison item" an item of the same product for which you have calculated a ceiling price under sections 2, 3, or paragraph (a) or (b) of this section and which differs from the item being priced in one or more of the following respects: container size, container type, grade, style of pack, count, packing medium (syrup, juice or water). This comparison item shall be the item of the product whose "current direct

cost" per dozen containers is closest to that of the item being priced. "Current direct cost" means the sum of the amounts (not higher than permitted by law) which it costs you for direct processing labor, ingredients, and packaging materials.

(2) Determine the "current direct cost" per dozen containers of the comparison item.

(3) Determine the "current direct cost" per dozen containers of the item being priced.

(4) Divided the current direct cost of the item being priced by the current direct cost of the comparison item.

(5) Multiply the ceiling price for the comparison item selected in subparagraph (1) of this paragraph by the quotient obtained in subparagraph (4) of this paragraph. The result is your ceiling price for the item being priced.

Sec. 5. Ceiling prices for processor-wholesalers and for processor-retailers. If you are a processor-wholesaler or processor-retailer, as defined in section 26, with respect to an item, you shall compute your ceiling price for the item as follows:

(a) *Your base price.* You shall compute your base price by the first one of the following methods which is applicable: *Provided, however,* That all items of the product shall be priced by the same method.

(1) If you sold during the base period 10 percent or more of your total 1948 production of the product to wholesalers or to chain store buying agencies who were in no way associated or affiliated with you, you shall use the weighted average sales price of such sales as your base price.

(2) If you are unable to price under subparagraph (1) of this paragraph, and if you are a processor-wholesaler, you determine the weighted average sales prices of your sales of the item as a wholesaler during the base period, and divide this weighted average by the markup factor provided in CPR 14 as amended for the wholesale class in which you operate having the highest markup. If you a processor-retailer, you determine the weighted average sales price of your sales of the item as a retailer during the base period, and divide this weighted average by the decimal equivalent of 100 percent plus the markup

percentage provided in CPR 15, as amended for Group 4 stores.

You then deduct the total transportation cost from the wholesale or retail figure resulting from the above division. The resulting figure converted to dozens is your base price as that term is used in section 2 (a) of this regulation.

(b) *Ceiling price f. o. b. factory.* Using the price determined under paragraph (a) of this section, you shall then determine your f. o. b. factory ceiling price in accordance with the provisions of section 2 of this regulation.

(c) *Ceiling prices at wholesale.* For any sales of the item at wholesale, you shall proceed as a wholesaler under the provisions of CPR 14, as amended, finding your "net cost" by substituting your f. o. b. factory ceiling price determined above for the "amount you paid your supplier" under CPR 14, as amended.

(d) *Ceiling prices at retail.* For any sales of the items at retail, you shall proceed as a Group 4 retailer under the provisions of CPR 15, as amended, finding your "net cost" by substituting your f. o. b. factory ceiling price determined above for the "amount you paid your supplier" under CPR 15, as amended.

Sec. 6. Ceiling prices for processors who are unable to figure their ceiling prices under sections 2, 3 or 4 of this regulation. (a) If you are unable to figure your ceiling price for an item under sections 2, 3, or 4 of this regulation, you shall use as your ceiling price for the item the simple average of the ceiling prices for the item of the three processors of the item located nearest your factory in the same pricing area as defined in section 2 (a) (3) and who have determined their ceiling prices under sections 2, 3, or 4 of this regulation. If there are less than three processors in the area, use the simple average of the two available ceiling prices. If there is only one ceiling price available, you may use such price. If you are unable to secure the ceiling prices of these processors, you shall apply to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., for individual authorization of a ceiling price in accordance with section 7 of this regulation.

(b) If you believe that the ceiling price obtained by using the provisions of paragraph (a) of this section is not representative of the competitive price level at which you have customarily sold your

products, or if you use merchandising methods in their sale and distribution different from those of such processors, you may apply under section 7 of this regulation to the Office of Price Stabilization, for a ceiling price. In filing an application under this section, you shall submit your selling prices for the years 1948, 1949, and 1950 (or such of these years as available), of all items of the same or most closely comparable product, and prices (if available) of the processors whose ceilings you are using for the same years covering the same or comparable product, together with a statement of reasons why you believe you cannot establish your ceiling under paragraph (a) of this section.

Sec. 7. Individual authorization of ceiling prices. If you cannot determine your ceiling price for an item under any of the foregoing pricing methods of this regulation you shall, before delivering the item to any purchaser, apply to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., for a ceiling price for each factory or group of factories at which you process the item. This application may be made on a form available at Office of Price Stabilization offices

(a) *Information that must be given in all cases.* In all such cases, you shall submit, if available, the following information in your application:

(1) A description in detail of the item for which a ceiling price is sought, a statement of the facts that make it different from the most similar item for which you have determined a ceiling price, identifying the similar item and stating its ceiling price, and a statement giving the reasons why a ceiling price cannot be established under the pricing methods of this regulation. The statement should indicate whether sales of the item have previously been made, and if so, whether a ceiling price was established under the General Ceiling Price Regulation, and if so, the ceiling price so established for each class of purchaser and the section of that regulation under which established.

(2) The 1948 and 1951 weighted average raw material costs per ton (or other unit) figured in the manner and subject to the limitations set forth in section 2 (d) of this regulation and a statement showing your current case (unit) yield.

(3) Breakdown by item of the estimated total costs computed in accordance with your customary accounting practice.

(4) The ceiling price proposed for the item, indicating whether it is for sale to wholesalers, retailers, consumers, or other classes of purchasers, and any discounts, or allowances that should be applicable to the proposed price and a list of your customary discounts, transportation and other allowances and price differentials.

(5) The volume of the item which you have on hand and which you expect to produce during the remainder of the pack year.

(b) *Supplementary information must be given if specifically requested.* You shall mail to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., within 15 days after receipt of its request such additional information as shall be requested. If you fail, without reasonable explanation, to submit all additional information that may have been requested within 15 days after the request is mailed, your application shall be considered withdrawn and the docket closed. Unless the application is refilled, the docket will not be reopened upon later receipt of this information, and further consideration by the Office of Price Stabilization will not be given.

(c) *Disposition of application.* Upon receipt of the application, the Office of Price Stabilization will authorize a ceiling price, or a method for determining the ceiling price, for the applicant or for sellers of the item generally. The ceiling price authorized shall be one that bears a proper relationship to those for comparable commodities and sellers.

A proposed price shall be considered authorized 20 days after the application (or all additional information that may have been requested) is mailed by registered air mail, addressed to Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., unless within that time the applicant has received from the Office of Price Stabilization a notice to the contrary.

(d) *Delivery before authorization of ceiling prices.* After filing the application, you may deliver the item and receive a payment of not more than 75 percent of the proposed price, but you may not receive further payment for it until a ceiling price is authorized.

(e) *Failure to apply when required.* If you fail to apply for a ceiling price under this section when required to do so, the Office of Price Stabilization may authorize a ceiling price for your sales of the item bearing a proper relationship to those for comparable commodities and sellers. This will not relieve you of your obligation to comply with this section or with any other provision of this regulation, nor will it relieve you of any penalty for failure to do so.

(f) *Revision of prices by the Office of Price Stabilization.* Any ceiling price established under this section shall be subject to revision at any time by the Office of Price Stabilization.

SEC. 8. *Adjustment of processors' ceiling prices—*(a) *Who may apply.* If, as a result of abnormal price relationships in the base period, your ceiling prices generally as calculated under this regulation, are substantially out of line with the ceiling prices of your most closely competitive sellers of the same class when your relative prices are compared with the normal relationship which existed during the period from 1946 to 1950, you may apply to the Office of Price Stabilization for adjustment of your ceiling prices.

(b) *Information to be submitted.* In filing an application for adjustment under this section, you shall submit the following information:

(1) For all items of the product which you process:

- (i) A description of each of the items;
- (ii) Your ceiling prices as calculated under this regulation;
- (iii) Your base prices;
- (iv) Your selling prices as of the date of application;
- (v) Your requested ceiling prices.

(2) The names of three processors most closely competitive with you and whose operations are most comparable to your operation. Indicate which of the items are processed by each competitor.

(3) Price lists to show the relationship of your selling prices to your competitors' prices during the past five years. If you do not have or cannot obtain your competitors' price lists, state the reason why.

(4) A statement why the base period is not representative of your operations, what period would be representative and why.

(5) The number of cases of each item of the product packed each year during the years 1946 through 1950, and your estimated number of cases for 1951 (or the actual number if your pack is completed), and your total case volume of production of all processed fruits, berries and vegetables in each such year.

(6) Your company balance sheets and profit and loss statements for the years 1946 through 1950, or for such of those years in which you packed processed fruits and berries or vegetables.

(7) A projected profit and loss statement for 1951 computed on the basis of your 1950 volume and your current ceiling prices, except that 1951 volume shall be used for those products where the 1951 pack has been completed.

(8) Your basic wage rates for unskilled male and female labor for the years 1948 and 1951.

(9) The cost to you of the raw material per ton (or other unit of purchase), delivered at the factory, for the years 1948 and 1951.

In projecting 1951 profit and loss statements and in making unit cost estimates for 1951, your costs for the raw agricultural materials listed in Table III shall not exceed those resulting from the applications of the maximum permitted increases set forth in that table; and your costs for labor shall not exceed your wage rates authorized and effective under the regulations of the Wage Stabilization Board.

You shall submit such further information relating to your application for adjustment under this section as may be requested by the Office of Price Stabilization.

(c) *Factors to be considered in making individual adjustments.* In making any adjustment under this section, the following factors will be considered:

(1) The degree of abnormality of applicant's base prices.

(2) A comparison of price relationships, item by item, between applicant and his most closely competitive sellers of the same class from 1946 to date.

(3) Total unit costs of processing.

(4) A comparison of applicant's projected earnings based upon existing ceiling prices with 1946-1949 earnings.

(5) The amount of adjustment under section 402 (d) of the Defense Production Act, as amended.

(d) *Action to be taken by the Director of Price Stabilization.* The Director of Price Stabilization may upon filing of a petition under this section adjust (upward or downward) any or all of applicant's prices for the product for which he seeks adjustment. Such adjustments will be made upon the basis of the standards set forth in paragraph (c) of this section and will be in accordance with the purposes and requirements of the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951. Any adjustment made under this section may be revised or revoked at any time by the Director of Price Stabilization.

(e) During the consideration of any application under this section, the Director may authorize the applicant to agree with purchasers from him that any deliveries made during the pendency of the application shall be at the price determined by the disposition of the application.

SEC. 9. Uniform f. o. b. factory prices for factories in different pricing areas.

(a) If you process the item being priced at more than one factory and if your ceiling prices for the item vary by factories located in different pricing areas, you may establish a uniform ceiling price for the item for any group of factories in those areas by figuring a weighted average of their separate ceiling prices.

(b) For any two or more factories selected by you, the "weighted average ceiling price" shall be figured by you as follows:

(1) You shall (i) determine the total estimated receipts which would have been obtained if your total production of the item at those factories during 1950 had been sold at the separate ceiling prices otherwise determined under this regulation and, (ii) divide that figure by the total number of dozens of the item included in that total production. The result is your uniform f. o. b. factory price.

(c) If you at any time recalculate your ceiling prices for an item under the provisions of section 2 of this regulation, you shall at that time refigure your weighted average ceiling price under this section.

SEC. 10. Delivered prices. You may figure a delivered ceiling price by adding to the ceiling price for the item f. o. b.

factory, the amount of the current transportation charges per sales unit of that item.

SEC. 11. Uniform delivered pricing by zones or areas—(a) *Sellers who sold during 1950 on a uniform delivered price by zones or areas—*(1) *For one factory.* If you sold or delivered an item covered by this regulation during 1950 on an established uniform delivered price basis by zones or areas, you may establish a delivered ceiling price for the same zone or areas by adding to your ceiling price f. o. b. factory, an average transportation charge, figured on the same basis as you figured such charge during 1950, but at current transportation rates. If you desire to sell an additional item not sold during 1950 on such uniform delivered price basis, you may establish a uniform delivered ceiling price for the same zones or areas, by adding to your f. o. b. factory ceiling price for the item, transportation charges which are mathematically proportional by shipping weight to the charges which were added to an item of the nearest shipping weight sold on a uniform delivered price basis in 1950.

(2) *For two or more factories.* If you sold an item during the calendar year 1950 from two or more factories on an established uniform delivered price basis, by zones or areas, regardless of the factories from which the shipment was made, you may continue such practice for the same zones or areas. Your uniform delivered ceiling price for the item shall be the weighted average of the delivered ceiling prices, as figured in subparagraph (1) of this paragraph, for the item computed on the basis of the proportion of sales of the pack of the item made during 1950 from each of your respective factories.

SEC. 12. Payment of brokers. In accordance with trade custom every broker shall be considered as the agent of the processor and not the agent of the buyer. In each case, the amount paid by the buyer to the processor plus any amount paid for brokerage service to the broker shall not exceed the total of the processor's ceiling price and allowable transportation costs actually paid by the processor or by the broker.

The term "broker" includes a "finder".

SEC. 13. Special packing expenses that may be reflected in ceiling prices—(a) *Conditions under which special packing expenses may be reflected in ceiling prices.* Special packing expenses to

meet special written requirements of the buyer for government use, for export, or for gifts are a basis for increasing ceiling prices for sales of an item if the following conditions are satisfied:

(1) The item must be packed in a manner, package or container that is different from and more expensive than standard packing; and

(2) The processor must pack the goods for sale by himself; and not for another on a custom or "toll" basis.

(b) *Ceiling prices for sales that meet the conditions of paragraph (a).* For any sale that satisfies the requirements of paragraph (a) of this section, your ceiling price as otherwise determined under this regulation may be increased by the following amount:

(1) The additional cost of packing according to the specifications of the buyer in excess of the cost of standard packing, if the processor packs the item himself, or

(2) The additional amount actually paid to another person for packing according to specifications of the buyer in excess of the cost of standard packing, if the processor does not pack the item himself.

(c) *Invoice and record-keeping requirements.* In any cases where your ceiling price is increased under paragraph (b) of this section, you shall:

(1) Show separately the amount of the increase in your contract of sale or on your invoice.

(2) In addition to the records otherwise specified by this regulation, prepare and keep for inspection by the Office of Price Stabilization, for two years, from the date of your invoice to the buyer, accurate records showing the cost of standard packing and the cost of packing according to the specifications of the buyer.

(d) *Computation of costs.* Costs must be figured according to your established accounting methods. Appropriate allowances shall be made for any materials salvaged in unpacking and repacking.

(e) *Meaning of "packing" and "standard packing".* "Packing" means the providing of wrappings, inner containers, or outer containers; the placing of items in such wrappings or containers; the application of any special coverings or coatings; and any unpacking and repacking necessary to conform to the specifications of the buyer.

"Standard packing" means the most expensive packing the cost of which was included in figuring the ceiling prices established by this regulation.

SEC. 14. *Units of sale and fractions of a cent.* (a) Ceiling prices shall be stated in terms of the same general sales units (like dozens, cases, etc.) in which you have customarily quoted prices for the product. Sales in units other than those in which you computed your ceiling price shall be at that ceiling price adjusted for the number of containers in the unit and for customary discounts and differentials.

(b) Amounts computed in the process of figuring a ceiling price (other than the ceiling price itself) shall be carried to four decimal places (hundredth of a cent). If any figured ceiling price includes a fraction of a cent, you shall adjust the ceiling price to the nearest cent or one-half cent in accordance with your established method for quoting your sales prices.

SEC. 15. *Maintenance of customary discounts, allowances and price differentials.* You shall not change any customary allowance, discount or other price differential as defined in section 26 of this regulation to a purchaser or class of purchaser, if the change results in a higher price to that purchaser or class. However, this provision shall not require you to sell any item unlabeled, or under a buyer's label, or to extend or duplicate any temporary promotional campaign.

SEC. 16. *Export sales.* The ceiling price at which you may export any item covered by this regulation shall be determined in accordance with the regulation applicable to such sales.

SEC. 17. *Storage.* Storage costs incurred on goods owned by you shall not be added to your ceiling prices if absorbed by you during the base period. Storage by you of goods owned by the buyer shall be charged for in accordance with the rates provided by the ceiling price regulation applicable to such services.

SEC. 18. *Records which must be kept.* If you make sales covered by this regulation you shall:

(a) Make and preserve for examination by the Office of Price Stabilization, for two years from the date of your invoice to the buyer, all records of the same kind as you have customarily kept,

relating to the prices which you charged for those sales, and

(b) Preserve for examination by the Office of Price Stabilization for as long as the Defense Production Act, as amended, remains in effect, and for two years thereafter, all your existing records which were the basis of figuring your ceiling prices in the manner directed by this regulation, showing the method used in figuring the ceiling prices.

SEC. 19. Reports which must be filed.

(a) If you determine ceiling prices for items of the processed fruits or berries covered by this regulation, you shall mail to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., a report on a form obtainable from the Office of Price Stabilization, signed by you, for all items for which you determine ceiling prices under this regulation. If you determine your ceiling price for an item under section 6 (a) of this regulation you shall furnish the names and addresses of the processors from whom you borrowed ceiling prices, together with the ceiling prices borrowed. All items of the product of a particular fruit or berries shall be included on one form. However, a supplemental form shall be filed if ceiling prices for some items of a product are determined or recalculated at a later date. Copies of the reporting form may be obtained from any field office of the Office of Price Stabilization, or from the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C.

(b) The reports required by this section for any item shall be mailed to the Fruit and Vegetable Branch, Office of Price Stabilization, Washington 25, D. C., within 5 days after such item is offered for sale, or the ceiling price is recalculated or by September 1, 1951, whichever date is the later.

SEC. 20. Sales slips and receipts. If you have customarily given a purchaser a sales slip, invoice or similar evidence of purchase, you shall continue to do so. Upon request, you shall, regardless of previous custom, give the purchaser a receipt showing the date, your name and address, the name and quantity of each item sold, and the price received for it.

SEC. 21. Transfer of factory. If a factory of a processor subject to this regulation is sold or its operation otherwise transferred to you on or after July 31,

1951, your ceiling prices with respect to such factory shall be the same as those to which your transferor would have been subject if no such transfer had taken place, and your obligation to keep records sufficient to verify such prices shall be the same. The transferor shall either preserve and make available, or turn over, to you all records of transactions prior to the transfer which he has and which are necessary to enable you to comply with the record provisions of this regulation.

SEC. 22. Adjustable pricing. You may agree to sell at a price which can be increased up to the ceiling price in effect at the time of delivery, but you may not, unless authorized by the Office of Price Stabilization, deliver or agree to deliver at prices to be adjusted upward in accordance with action taken by the Office of Price Stabilization after delivery. Such authorization may be given when a request for a change in the applicable ceiling price is pending, but only if the authorization is necessary to promote distribution and will not interfere with the purposes of the Defense Production Act, as amended. The authorization may be given by the Director of Price Stabilization or by any official of the Office of Price Stabilization having authority to act upon a pending request for a change in price or to give the authorization. The authorization will be given by order except that it may be given by letter or telegram when the contemplated action is the authorization of an individual ceiling price.

SEC. 23. Treatment of excise taxes—

(a) *Taxes in effect during base period.* If, during the base period, you separately stated and collected any excise or similar tax you may continue to collect the current amount of any such tax in addition to your ceiling price. If you did not customarily during the base period state and collect separately from the purchase price, the amount of tax paid by you, you may not collect the amount of such tax in addition to your ceiling price.

(b) *Taxes imposed since base period.* In all other cases, if at the time you determine your ceiling price the statute or ordinance imposing the tax does not prohibit you from stating and collecting the tax separately from the purchase price, you may collect in addition to your ceiling price, the amount of the tax actually paid by you.

In every case when the tax is collected from the purchaser the amount thereof shall be separately stated.

SEC. 24. *Compliance with this regulation*—(a) *No selling or buying above ceiling prices.* Regardless of any contract or obligation no person shall sell or deliver or, in the course of trade, buy or receive any item at a price higher than the ceiling price established by this regulation.

(b) *Evasion.* No person shall evade a ceiling price, directly or indirectly, whether by commission, service, transportation, or other charge or discount, premium, or other privilege; by tie-in requirement or other trade understanding; by any change of style of pack; by a business practice relating to grading, labeling or packaging or in any other way.

(c) *Enforcement.* Any person violating a provision of this regulation is subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided by the Defense Production Act, as amended.

SEC. 25. *Petitions for amendments, protest and interpretations.* Any protest, petition for amendment, or request for interpretation of this regulation, may be filed in accordance with the provisions of Price Procedural Regulation 1, Revised.

SEC. 26. *Definitions.* When used in this regulation the term:

(a) "Base Period" of a product means the sixty day period beginning with the first day in 1948 that the processor processed any item of such product of a fruit or berry covered by this regulation.

(b) "Customary allowances, discounts and price differentials" means those differentials for cash discount, swell allowance, allowance for buyer's labels, for unlabeled goods, for differences in volume of sales, for class of buyer, for class of sale, or for method or time of delivery which were customary in the business of the processor and in effect prior to and during the base period.

(c) "Grade" means the commercial grade or customary trade quality designation at the time of shipment. However, where the processor elects to use grades as established and defined by any governmental agency and sells the item under any such grade designation, the term "grade" means such grade at time of shipment.

(d) "Item" means a kind, variety, grade, density, size, style of pack or container type and size of a product. Brand names shall not in themselves constitute separate items.

(e) "Person" means an individual, corporation, partnership, association, or any other organized group of persons, and their legal successors or representatives. The term includes the United States, its agencies, other governments, their political subdivisions and their agencies.

(f) "Processor" means a person who is engaged commercially in preserving a fruit or berry by processing so as to extend materially the period of its availability for consumption as a food. The term includes a person who has the item processed for him by another and who owns the raw material immediately prior to and through the period of processing.

(g) "Processor-retailer" means a processor who sells the item at retail.

(h) "Processor-wholesaler" means a processor who sells the item at wholesale.

(i) "Product" means the common and usual name of a finished food processed from a fruit or berry covered by this regulation, and includes the purees processed therefrom, but does not include baby food, junior foods, jams, jellies, marmalades, or preserves.

(j) "Sales at retail" means sales to ultimate consumers other than commercial, industrial and institutional users.

(k) "Sales at wholesale" means sales with respect to which processor has performed the function of selling as a wholesaler to retail stores, but not including sales to chain store buying agencies, or to associations of retail store buying agencies which warehouse the product prior to distribution to the individual retail outlet.

(l) "Sales units" means your customary invoicing quantities of the item, such as dozens, cases, etc.

(m) "Weighted average raw material cost" means the total amount paid by the processor to the grower for the raw agricultural material plus any transportation, storage, harvesting, seeds and plants, crates, boxes, bags, acquisition, and other direct costs, paid or incurred by the processor up to the point of delivery at the factory, divided by the total tons (or other units) of raw material purchased.